(c) whether the Planning has completed discussions with the concerned Ministers in this regard;

(d) the reaction of other Ministries to. this proposal;

(e) when this scheme or fund will come into operation; and

(0 the full details of implementation of this recommendation?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES OF THE MINISTRY OF PERSONNEL,- PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE OF THE DEPARTMENT DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) Yes, Sir. A Study group on Development of Small Scale Enterprises (SSEs) under the chairmanship of Dr. S.P. Gupta, Member, Planning Commission, has recommended that funds should be made available for modernisation of SSEs" at a concessional rate of interest on easy terms. It is estimated that Rs. 1000 crores annually may be required for five years to meet with the needs of the SSEs.

(c) to (0 The discussion with various Central Ministries have not been completed. It is not possible to indicate a time frame for a decision on the scheme or its implementation.

Up on the Verge of Bankruptcy

1373. SHRI ANIL SHARMA: Will the PRIME MINISTER be pleased to state:

(a) what is the Government's reaction to the news-item captioned "Uttar pradesh Divaliyapan Ke Kagar Par, Yojana Ayog Ke Chaukane Wale Aklan" appeared in "Punjab Kesari" dated the 5th July, 2000;

(b) what action Government proposes to take to avoid the situation from deteriorating further by the end of the current year;

(c) what measures have been taken by Government to stop the dependence of the State only on the internal as well as external loans; and

(d) what measures have been taken to ensure that Government is not forced to beg from World Bank?

† Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES OF THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Government is fully aware of the serious fiscal situation facing Uttar Pradesh.

(b) In order to help ease the tight fiscal situation and also to put the state's finances on a sound footing in the medium term, the Government of India and the Government of Uttar Pradesh entered into an agreement on 4.6.99 under which the Government of Uttar Pradesh was to undertake a time-found fiscal reform programmes with the help of medium term assistance of Rs 1000 crores extended by the Government of India from the Fiscal Reform Facility. The corrective measures identified for implementation fall under four broad categories:—

* Reduction of Revenue Deficit
* Disinvestment programmes in non-essential sectors.
* Restructuring of government through decentralisation aimed at promoting greater efficiency in planning and expenditure.
* Institutional reform to promote more effective regulation, lower transaction costs, and increase efficiency in public activities and in the economy in general.

(c) The following reform measures have already been initiated by the Government of Uttar Pradesh:—

Measures *already* taken to reduce revenue deficit include (i) reduction of non-plan revenue expenditure (through baa on foreign travel, ban *on* air travel by certain categories of staff, abolition of leave encashment facility for Class I ft II employees, non-expansion of educational institutions on the grant-in-aid list and ban on providing loan/share capital to Public Sector Undertakings), (ii) Increase in tax revenue (through levy of new entry tax, rationalisation of the tax structure and intensive drive to recover arrears of government dues and arrest leakages of revenues), (Hi) increase in non-tax revenue (through revision of fees of engineering colleges ft hospital rates and revision of Nazul rates), (iv) revision of user charges for various economic and social services.

Measures *for* disinvestment already taken include setting up of Disinvestment Commission to spearhead the implementation of the programme, closing down of 5 Sugar Mills and setting up of De-regulation Commission.

Measures already taken for decentralisation and restructuring include transfer of 80,000 government employees belonging to the health, water supply, civil supply and irrigation Departments and 3,00,000 Primary teachers to Local bodies, amendment of appropriate Act/Rules to enable Local Panchayats to operate and maintain tube wells, introduction of a hiring system for Teachers and Health workers so as to reduce the unit cost of providing such services, abolition of 7,000 posts and initiation of action on zero-budgeting. Institutional reform measures already taken include setting up of an Electricity Regulatory Commission to oversee reforms in the Power Sector, setting up of a Utility Regulatory Commission for the Water sector, announcement of a New Road Policy with emphasis on privatisation & cost recovery measures, setting up of a Road Fund in the Transport Sector and an Infrastructure Initiative Fund for the development of the Industrial sector.

(d) The reform measures being undertaken would help to strengthen UPs financial position in the long term.

Survey on Consumer Expenditure

1374. SHRI ANIL SHARMA: Will the PRIME MINISTER be pleased to state:

(a) whether five yearly Survey regarding consumer expenditure was due to be conducted in 1999-2000; year-wise and district-wise details of families living below poverty lino in Himachal Pradesh during the last five years;

(b) the measures taken by Government for the upliftment of these families; and

(c) the impact of the measures and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE

† Original notice of the question was received in Hindi.